VZCZCXRO5965 PP RUEHDT DE RUEHLI #1137/01 1631601 ZNY CCCCC ZZH P 121601Z JUN 06 FM AMEMBASSY LISBON TO RUEHC/SECSTATE WASHDC PRIORITY 4863 INFO RUEHBY/AMEMBASSY CANBERRA PRIORITY 0523 RUEHDT/AMEMBASSY DILI PRIORITY RUEHKL/AMEMBASSY KUALA LUMPUR PRIORITY 0028 RUEHWL/AMEMBASSY WELLINGTON PRIORITY 0125 RUEKJCS/OSD WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 1437 RUEHNO/USMISSION USNATO PRIORITY 0591 RUEHGV/USMISSION GENEVA PRIORITY 0529 RUEKJCS/SECDEF WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RHHJJAA/JICPAC HONOLULU HI PRIORITY RUEKJCS/JOINT STAFF WASHDC PRIORITY RHHMUNA/USCINCPAC HONOLULU HI PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 LISBON 001137

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E.O. 12958: DECL: 06/09/2026

TAGS: PREL PGOV TT PO

SUBJECT: PORTUGAL: AN INTEL VIEW OF EAST TIMOR

REF: A. CANBERRA 849

_B. DILI 301

Classified By: Cari Enav, Pol/Econ Officer, State. Reasons: 1.4 (b) and (d)

Summary

11. (C/NF) In a discussion on East Timor, the Chief of Staff for the Republic of Portugal's Intelligence Services (SIRP) underscored the need to recognize the Fretilin Party's popularity and the important role Prime Minister Alkatiri played in it. He was critical of Australia's past role in East Timor but was confident that coordination problems between Portuguese and Australian forces on the ground would be worked out.

Alkatiri Still Influential

12. (C/NF) During a chance encounter on June 8, Pol/Econ DepCouns had the opportunity to solicit Chief of Staff for the Republic of Portugal's Intelligence Services (SIRP) Jorge Carvalho's viewpoint on the situation in East Timor. With regard to the political situation, Carvalho underscored the need to recognize the political reality in East Timor without favoring either President Gusmao or Prime Minister Alkatiri. He commented that although Alkatiri had undertaken questionable actions and was tainted with the mark of Communist affiliation, the fact remained that the Fretilin Party would win if elections were held today and Alkatari would remain in a position of power. Any plans to resolve the conflict would need to take his influence into account.

Questioning Australia's Role

13. (C/NF) Carvalho commented that Australia had not played a productive role in East Timor, underscoring that Australia's motives were driven by geopolitical and commercial (e.g. oil) interests while Portugal's main interest was to maintain stability. He noted that Portugal had minimal, if any, economic ties. He explained that SIRP followed the situation on the ground very closely, stating "we even know what type of shoes the rioters wear and where they buy them," and implied that Australia had previously fomented unrest for its benefit. He cited two instances - demarcation negotiations of the maritime border between East Timor and Australia and

demarcation negotiations of oil exploration boundaries off the shore of East Timor - where Australia had fomented unrest to put the pressure on the Government of East Timor.

Confident Coordination Problem would be Resolved

14. (C/NF) Carvalho was confident that coordination problems between the Portuguese paramilitary Republican National Guard (GNR) and the Australian forces would be resolved and downplayed any conflicts on the ground. Reftels and subsequent press reports highlight a June 8 accord in which the GNR will operate exclusively in the Comoro neighborhood until command and control issues had been resolved.

Comment

15. (C/NF) Carvalho, the equivalent of DNI John Negroponte's Chief of Cabinet, is an important pro-American Embassy contact who is not only knowledgeable in intelligence matters but well connected to political parties across the spectrum. His analysis of the situation in East Timor was dispassionate – even his criticism of Australia was delivered in a matter-of-fact manner. Though Carvalho emphasized Portugal's more altruistic side for sending GNR to East Timor, there is a genuine fondness for its former colony and a sense of responsibility for its welfare. It is clear that intelligence reporting informs Portugal's official position regarding the political way forward, as reflected by MFA interlocutors' reluctance to comment on particular East Timorese leaders and to instead emphasize the importance of the East Timorese themselves devising a solution to their difficult political problems.

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